



Councilmember Sally Bagshaw  
Seattle City Hall  
600 4th Ave, Floor 2  
Seattle, WA 98104

Dear Chairperson Bagshaw,

Back in 2011, Seattle became Uber's third city, and over the last eight years we've helped move millions of residents, workers and visitors around the Emerald City during a period of remarkable economic growth and development expansion in the Puget Sound region.

During that same time, we've also seen tens of thousands of local residents use the Uber app as a flexible source of income--some for only a few hours per week, with others choosing to use our app (along with our competitors' apps) more frequently as a sole source of income. Still other workers turn to the Uber app in instances of personal upheaval, as when faced with a job loss or unexpected personal expense. Just last month, the JP Morgan Chase Institute published [a study](#) that found "families turn to the Online Platform Economy when they lose a job and turn away from it when they gain a full-time job."

As fellow members of this community, we at Uber in Seattle share your concerns about the rising cost of housing, persistent homelessness, and stubborn congestion, and we support the efforts of you and your colleagues and other elected leaders to take action to address these challenges.

### **A regressive tax**

Although the current Fare Share plan you are considering seeks to address these issues, it does so in a way that unfairly burdens rideshare drivers and could disproportionately impact low-income riders. We hope you and your colleagues can find a way to temper the impacts of the Fare Share plan on these groups and explore more progressive sources of revenue to address the city's challenges.

It's also important that you know we strongly support establishing an earnings standard and more protections and benefits for drivers, as well as ensuring there is due process for drivers who feel unfairly deactivated. Tripling the rideshare tax in Seattle, however, isn't necessary to pursue these ends.

As you may know, throughout the spring and summer, Uber representatives engaged in good faith with a variety of stakeholders here in Seattle, including Teamsters 117 and the Mayor's Office, to develop a first-of-its-kind legal framework that would establish an earnings standard along with greater benefits and additional protections for drivers. We advocated for an approach that would have delivered a generous earnings standard immediately for drivers at a reasonable cost to riders, while also protecting driver flexibility and limiting the impact to our marketplace

and services. We also advocated for a much lower tax that wouldn't unfairly burden drivers. Unfortunately we weren't able to reach an agreement.

### **Who's using Uber**

In addition to advocating for a reduction in the proposed Fare Share rideshare tax, we also want to share some industry data that will hopefully help you assess the merits of the related ordinances before you.

First, contrary to what's been shared with you and your fellow councilmembers, rideshare riders are very price sensitive, especially lower-income riders. [Parrot and Reich](#) use a long-term demand elasticity of -1.2, which is in line with Uber's internal estimates and much larger than the estimate used by Central Staff to model impacts of the increased tax. What this means is that the proposed tax will result in a much greater reduction in trip volume than what is reflected in the materials that you've seen.

Second, it's important that you and your colleagues have an accurate picture of the riders who rely on Uber to get around our city. A big part of our work at Uber is bringing reliable, affordable transportation to more people every day in cities across the globe, including here in Seattle. While many of our trips do in fact occur downtown, a full 43 percent of trips originate in economically distressed Seattle zip codes as defined by the Department of Administrative Services.

That number will also likely continue to grow. Over the past couple years, use of Uber has grown fastest in historically underserved neighborhoods where diverse transportation options aren't as readily available.

Between Sept. 2017 and Sept. 2019, Uber grew fastest in some of the following neighborhoods outside of Seattle's downtown core:

#### Uber trip growth by neighborhood, Sept. 2017 to Sept. 2019

- High Point: 55%
- South Beacon Hill: 83%
- Bryant: 88%
- Holly Park: 92%
- Brighton: 101%
- South Park: 101%
- Dunlap: 103%

For comparison, during that same period, our citywide trip growth was 21 percent.

### **Context for 24 million trips, and how people are choosing to get around**

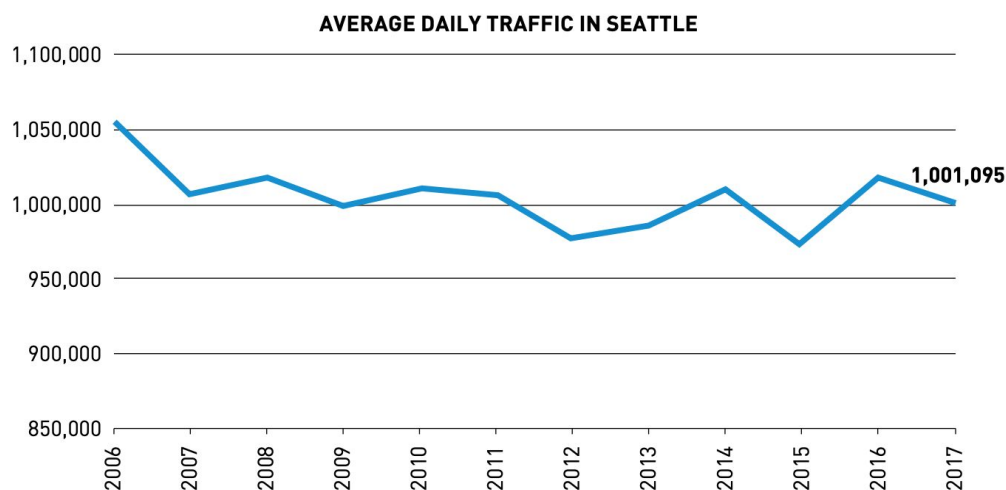
It's important the 24 million rideshare trips that originated in Seattle in 2018 are put into context. According in INRIX, during that same year, there were more than 515 million overall vehicle trips

that began in Seattle. This means that TNC trips made up only 4.7 percent of overall vehicle trips that originated in the city in 2018.

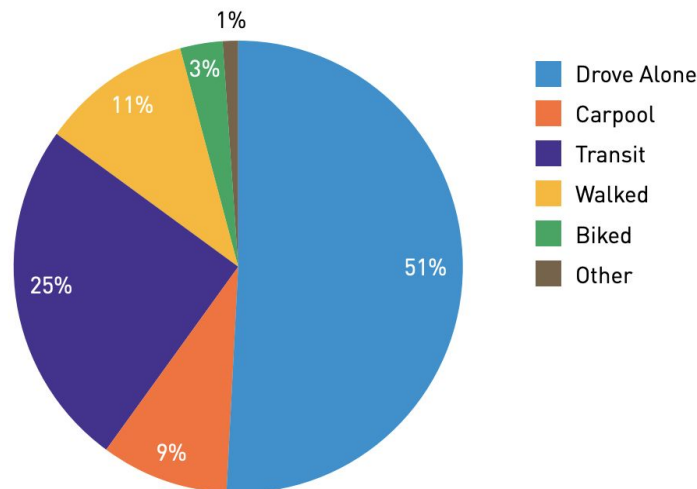
It also deserves mentioning that the overall number of Seattle vehicle trips have largely remained constant over the last decade. According to the most recent [SDOT Traffic Report](#), the Seattle traffic count has remained at around 1 million since 2006, with traffic volumes actually decreasing from 2016 to 2017, the most recent years reported.

These numbers are set against ongoing significant increases in transit ridership and our city's population. Together this data shows that people are choosing to get around Seattle differently because they have more options. This is a good thing. And although the percentage of Seattle workers who choose to commute downtown via single occupancy vehicle continues to fall, it's still the biggest share by far of how people get to and from work every day.

The following charts are pulled from the 2018 SDOT Traffic Report, which was published in the spring.



**2017 SEATTLE COMMUTE MODE SHARE\***



\*2017 American Community Survey

### **Safety-related considerations**

The final concern with the mayor's Fare Share proposal we'd like to bring to your attention concerns the Driver Resolution Center (DRC) ordinance. The ordinance creates significant uncertainty around the criteria that warrant immediate deactivation. Today, any behavior involving violence, sexual misconduct, harassment, discrimination, or illegal activity while using the Uber apps can result in the immediate loss of access to the Uber apps, for both riders and drivers. This policy has played a significant role in our ability to continue reducing the frequency of safety-related incidents on our platform. The DRC ordinance would allow TNCs to immediately deactivate only for "egregious behavior," an undefined term sure to be a subject of constant dispute if passed into law.

Our request is that you and your fellow councilmembers establish broad but clear community guidelines for what should be interpreted as "egregious behavior." At a minimum, in the interest of public safety, rideshare companies should be explicitly allowed to continue the practice of immediately waitlisting and reviewing any alleged activity involving the categories above.

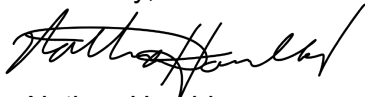
### **Conclusion**

We believe the Fare Share plan sets out to address important issues in our city, but we think it can be improved. We also believe there are more progressive sources of revenue that could be tapped. Our congestion pricing [white paper](#), for example, provides a possible roadmap for the city to raise significant revenue, ensure that everyone using the roads pays their fair share, and makes a meaningful impact on congestion -- all without reducing overall driver earnings by millions of dollars every month. It also has equity considerations at its core.

We hope you will use the remaining days and weeks of the budget process to engage additional stakeholders, including all rideshare drivers, riders, third parties and companies like Uber, to gain insight on how the Fare Share plan can be improved, and how the disproportionate burden a \$0.75 per trip surcharge puts on drivers and low-income riders can be reduced.

Uber stands ready to support these efforts however we can.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Hambley", written in a cursive style.

Nathan Hambley  
Uber Regional Public Affairs